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->From the Editor's Keyboard              "Saying it like it is!"
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Another week, more aggravation and disappointment.  But, there may be a
light at the end of the proverbial tunnel.  So'll I'm trying to stay on
the positive road.  I won't go into details because you'd get bored quite
quickly!

Labor Day weekend, amazingly, is rapidly approaching.  I can't even remember
what our Spring was like, much less this summer!  Hopefully, I'll get to
enjoy what is left of this year's summer before another season passes us by!

Until next time...



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->In This Week's Gaming Section  - Sony's PS 4 To Launch in November in US!
   """"""""""""""""""""""""""""""   PS 4 Preorders Top PS 3 Launch Sales!
                                    Microsoft Releases Xbox One Launch Titles!
                                    And more!



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->A-ONE's Game Console Industry News  -  The Latest Gaming News!
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           Sony's PlayStation 4 To Launch on November 15 in US


Sony says it will launch its latest video game console, the
PlayStation 4, on Nov. 15 in the U.S. and Canada.

Sony Corp. said Tuesday that the gaming system will launch in Australia
and European countries including Austria, Germany, Sweden and the U.K. on
Nov. 29. The PS4 will also go on sale that day in 10 Latin American
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countries, including Argentina, Brazil and Chile.

The PS4 will cost $399. Microsoft Corp.'s rival Xbox One will cost $499. Microsoft has not announced an exact launch date.

The two consoles will be the first major gaming systems since Nintendo's Wii U went on sale last November.

PlayStation 4 Preorders Have Already Topped PlayStation 3 Launch Sales

There is certainly pent-up demand among gamers who have been waiting for what seems like ages for Microsoft and Sony to unveil their next-generation video game consoles. How badly did gamers want a refresh? Sony recently announced that pre-sales of its upcoming PlayStation 4 console have surpassed 1 million units. To put that figure in perspective, Forbes notes that Stern Agee analyst Avind Bhatia said in a recent research note that Sony s PlayStation 3 sales from the holiday quarter in which it launched back in 2006 didn t even total 1 million units. In other words, the PS4's launch-quarter sales have already topped the PS3, and the new console hasn t even debuted yet. Sony s new PlayStation 4 will be released on November 15th starting at $399.99.

Microsoft Releases List of Xbox One Launch Titles

This is a big week for video games with the annual Gamescom conference having just kicked off, and Microsoft is among the companies in attendance. The firm made several announcements as the launch of its next-generation Xbox One video game console draws near, but perhaps the most exciting for eager gamers was the complete list of launch titles that will be available in November when the Xbox One finally hits store shelves. The complete list of 23 titles follows below.

    Assassin s Creed IV Black Flag (Ubisoft, Ubisoft)
    Battlefield 4 (DICE, Electronic Arts)
    Call of Duty: Ghosts (Infinity Ward, Activision)
    Crimson Dragon (Grounding/Land Ho!, Microsoft Studios)
    Dead Rising 3 (Capcom Vancouver, Microsoft)
    FIFA 14 (EA Sports, Electronic Arts)
    Fighter Within (AMA Ltd., Ubisoft)
    Forza Motorsport 5 (Turn 10 Studios, Microsoft Studios)
    Just Dance 2014 (Ubisoft Paris, Ubisoft)
    Killer Instinct (Double Helix, Microsoft Studios)
    LEGO Marvel Super Heroes (TT Games, Warner Bros. Interactive)
    Lococycle (Twisted Pixel, Microsoft Studios)
    Madden NFL 25 (EA Sports, Electronic Arts)
    NBA 2K14 (Visual Concepts, 2K Sports)
    NBA LIVE 14 (EA Sports, Electronic Arts)
    Need for Speed: Rivals (Ghost Games, Electronic Arts)
    Peggle 2 (Popcap, Electronic Arts)
    Powerstar Golf (Zoe Mode, Microsoft Studios)
    Ryse: Son of Rome (Crytek, Microsoft Studios)
    Skylanders: Swap Force (Vicarious Visions, Activision)
    Watch Dogs (Ubisoft Montreal, Ubisoft)
    Zoo Tycoon (Frontier Developments Ltd., Microsoft Studios)

Zumba Fitness: World Party (Zo° Mode, Majesco)

As Console Battle Heats Up, Videogame Revival Hopes Rise

"New heroes are here", proclaims a poster for Microsoft's and Sony's new gaming consoles at the entrance of the Gamescom trade fair, reflecting hopes that a battle over the devices will boost the declining videogames industry.

For once, the rise of online and free-to-play gaming is not the only topic at Europe's biggest videogames trade show, expected to attract just under 300,000 people to Cologne, Germany for a test-drive on the new consoles.

Instead, a classic clash of titans is shaping up, with the industry hoping the new consoles can boost the industry ahead of the crucial holiday shopping season.

Industry tracker NPD says sales of videogame hardware and software have fallen every month, on a year-on-year basis, since January 2012, losing ground to online and free-to-play Internet and smartphone and tablet games such as Supercell's "Clash of Clans" and Rovio's "Angry Birds".

But as Microsoft and Sony prepare to go head-to-head with their Xbox One and PlayStation 4, the publishers of games played on those devices are hoping to cash in.

"The recent industry sales figures are more a reflection of typical late console cycle dynamics than the momentum of this medium," said Activision Blizzard's Publishing Chief Executive Eric Hirshberg.

The publisher of the blockbuster "Call of Duty" and "Fast and Furious" franchises said gaming had gained in importance since the last consoles were launched about eight years ago.

Optimism is backed by research from consultants PricewaterhouseCoopers (PwC), which suggests the global market for videogames will recover to $86.9 billion in 2017 from $63.4 billion in 2012, with consumer spending on console games increasing to $31.2 billion in 2017 from $24.9 billion in 2012.

The new consoles, which are more powerful than their predecessors and support cloud-based game play and mobile integration, are expected to give a boost to sales of the traditional boxed games of Electronic Arts.

The veteran publisher is known for games such as "FIFA", "Battlefield" and "Need for Speed".

"We have focused on nailing the transition to the new XBox One and the PlayStation 4 and are ready to benefit," said Peter Moore, EA's chief operating officer.

Two months after the Electronic Entertainment Expo (E3) in Los Angeles, Sony and Microsoft have unveiled the games which will be available on the new devices, hoping to convince gamers to spend $499 on a Xbox One or $399 on a PlayStation 4.

Sony said it had received more than 1 million preorders, still some time

before the console will hit the shelves on November 15 in North America and November 29 in Europe, while Microsoft said preorders for the Xbox One exceeded those for the console's predecessor eight years ago.

Microsoft has not given an exact date for when the Xbox will hit stores.

"It is important we have everything in the right place," Microsoft Europe's Vice President of Interactive Entertainment Chris Lewis said.

He will want to avoid what happened to Nintendo Co Ltd's Wii U. Disappointing sales since its late 2012 launch, due to a lack of appealing games which can be played on the console, forced the Japanese company to cut its outlook for its last financial year.

To keep picky gamers on board, Microsoft in June reversed its policy and said used games could be played on the new console, something Sony had allowed from day one of the launch of the PlayStation 4.

"While others have shifted their message and changed their story we were consistent," the head of Sony Computer Entertainment Andrew House said at a news conference in Cologne, taking aim at Microsoft.

But a good fight is always good for business. "The gamers ultimately win," said Activision's Hirshberg.

"You can keep a scorecard and decide who you think is winning each round, but you cannot argue that (the gamers) are not highly engaged. It would be much worse for the industry if nobody cared."

The Man Who Drew Up Sony s Next Game Plan

Mark Cerny s journey from 17-year-old Atari programmer to lead architect of Sony Computer Entertainment will define the next blockbuster games console.

Whoever wins the game-console wars is likely to control not only how people play games, but how they watch TV and listen to music.

Mark Cerny s soft voice and youthful looks belie the position of power he holds in the video-game industry. The 49-year-old Californian is the lead architect of Sony s PlayStation 4, the company s forthcoming video-game console cum entertainment hub, which is destined to arrive in millions of living rooms around the globe this winter. As such he is partly responsible for defining the next generation of video-game consoles and shaping the broader influence of these increasingly pervasive devices. It is a unique challenge in technological design. Unlike PCs, smartphones, or televisions, new video-game consoles launch only intermittently, every seven years or so. The design must be robust enough to remain relevant in a rapidly shifting technological landscape over an extended period.

Finding the right balance is a high-risk game: at launch, the PlayStation 4 will go up against Microsoft s Xbox One, its principal rival, which is also slated for release in December. The stakes for both companies extend beyond video games. Both Sony and Microsoft harbor an ambition to
 control the living room via their machines, which will act not only as game consoles but also as central hubs through which households access television shows, movies, sports, and music. Microsoft is eager to stress

Xbox One s multimedia capabilities, dubbing the system an all-in-one
entertainment system to rival the Apple TV and Google TV platforms. But
 play remains at the heart and brand of the PlayStation, and Sony
believes that the quality and quantity of the system s games will
ultimately win this war.

How does one create the blueprints for a system that can last the distance
without becoming outdated? How do you build an architecture that is
straightforward enough for third parties to create games with, but also
innovative enough to facilitate bold, eye-catching invention? For Sony,
whose three previous PlayStation systems have sold an estimated 335
million units, these are multimillion-dollar questions and the Japanese
company has tasked Cerny with answering them. His approach is shaped by
a deep passion for innovative games, and by his experience making simple
but addictive arcade games.

Cerny s talent for programming surfaced early. At age five he taught
himself to code on a CDC 6400 mainframe computer at the University of
California at Berkeley, where his father worked as a lecturer in nuclear
chemistry. At 13 he began to audit math and physics classes at the
university, and at 16 he joined full-time. I was quite a good student,
but I was bored, he says.

    Cerny s interest in emerging technology the same interest that marked
him out to Sony as the ideal candidate to design PlayStation 4 three
decades later was evident in his first idea.

As well as a talent for programming, Cerny had a talent for arcade games,
the new and vibrant industry launched when Atari founder Nolan Bushnell
installed his first arcade cabinet, Computer Space, in the Dutch Goose bar
near Stanford University in 1971. When Cerny saw Space Invaders in a local
arcade in 1978, he was immediately entranced and worked to become one of
the best players in the United States at that time. This skill brought
Cerny to the attention of the author Craig Kubey, who in 1982 was
researching a book of arcade game tips and interviews. He was touring
the arcades looking for hotshot players, visiting game companies and
interviewing game creators, explains Cerny. I was looking for a way to
turn my hobbies into a job, and Kubey agreed to mention me to Atari
during one of his interviews. Kubey was true to his word, and within
weeks, Cerny was invited for an interview. At just 17 he joined Atari as
one of the company s 15 star programmers the only employees responsible
for both code and game design.

Cerny s was a family of high-achieving academics. Both of his parents and
his brother have PhDs, as do four of his stepsiblings. In that
environment, quitting education to make video games at 17 was akin to
running away with the circus. Certainly everyone would have liked to see
me complete my higher education, he says. But I only thought I d be at
Atari for a year, gaining some experience. It was seven years before I
realized I wasn t going back to college. My family eventually came to
terms with it when it became clear I could make enough money in games to
support myself.

Cerny cut his teeth on the game Major Havoc, and at 18 he was given carte
blanche to create his own game. They sat me down and told me to figure
out what game I wanted to make and what hardware it would need to run
on, he says. I was told that if it needed some artwork, they could
probably spare somebody for a couple of days. But it was pretty much one
person per project. Cerny s interest in emerging technology the same
interest that marked him out to Sony as the ideal candidate to design

PlayStation 4 three decades later was evident in his first idea. Marble
Madness started life as miniature golf played via a touch screen, he
explains. Then we added a trackball that people could roll with their
hand to directly control the marble. Initially it was a motorized
trackball, but the costs proved prohibitive.

The latest PlayStation 4 controller shows efforts at interface
innovation: it includes a small touchpad as well as more sensitive motion
sensors, allowing new ways to play games. The Xbox One, of course, comes
with Microsoft s Kinect, a hands-free motion-sensing device.

When Atari games were 80 percent complete, one or two cabinets would be
installed in local bars for live play-testing. We d watch people play the
game in secret, see if it was too hard or too easy, he recalls. If the
game didn t prove popular enough it was canceled at this point; two out
of every three games didn t make it. Marble Madness, however, became one
of the smash hits in the arcade in the mid-1980s.

Flushed with success, Cerny quit Atari to start work on his own games as
an independent developer. But working simultaneously on the hardware and
software proved tremendously time-consuming for one man. After 18 months,
he dropped the project and moved to Japan to become a contractor for
Sega, creating games for its Master System console. It was like night
and day, he says of the change in corporate culture. At Atari it was
all about creativity; if the concept wasn t 100 percent original, you
couldn t make it. Sega was about shoveling the titles out the door. We
made 40 games, but by my judgment, only two were really worth playing. We
didn t get out of that churn philosophy until Sonic the Hedgehog.

The shift from arcades to home consoles was changing the way games were
designed. Where arcade games had to kill the player three times in three
minutes in order to earn money, home consumers wanted longer and more
accessible games. Cerny left Sega and returned to California to join
Universal in the mid-1990s as vice president of the studio s interactive
group. Even in this management position he was still programming games
and designing levels. It was during this time that he met Shuhei Yoshida,
a producer in Japan who is now head of Sony s worldwide studios. Yoshida
carried out consumer testing on Cerny s first project, Crash Bandicoot.
 He gave me the testers notes, says Cerny. It was a litany of
criticisms of the game by people who were obviously frustrated by its
difficulty. It hit me that arcade-style games were not the sort of
products we should be making anymore.

This act of having to relearn a design approach in a changing world has
defined Cerny s career. Today Cerny is back to working simultaneously on
hardware and software as lead architect on PlayStation 4 and designer on
one of its launch titles, Knack a bright and colorful platform game that
harks back to Cerny s work on Crash Bandicoot and has little of the grit
and violence of most contemporary video-game blockbusters. Today s games
are enormously complex, he says. The PlayStation 4 controller has 16
buttons and a blockbuster game uses almost all of them. I ve had decades
to get used to the increasing complexity of video games. But these days
children learn how to play games on iPads and smartphones, which are
buttonless. So we have a gulf between the beginner players and the
blockbuster game players. I wanted to make a game and a system that acts
as a bridge between the two.

For Cerny, the key to PlayStation 4 s success when it launches this
holiday season is in offering a breadth of experiences, both the
sprawling blockbuster epics of the mega-studios and the smaller

independently created titles from today s clutch of bedroom programmers.
Sony s commitment to the so-called indie scene is full-throated and in
apparent contrast to Microsoft, which has attracted criticism from some
quarters for its seeming lack of interest and support. We have an
opportunity to fundamentally alter the landscape of gaming by bringing
these diverse titles together, says Cerny. I believe there is a much
richer set of game experiences on the horizon.

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                   A-ONE's Headline News
              The Latest in Computer Technology News
                  Compiled by: Dana P. Jacobson

   'Cryptopalypse' Now: Looming Security Crisis Could Cripple Internet

The Internet, and many forms of online commerce and communication that
depend on it, may be on the brink of a "cryptopalypse" resulting from the
collapse of decades-old methods of shared encryption.

The result would be "almost total failure of trust in the Internet," said
four researchers who gave a presentation at the Black Hat security
conference in Las Vegas earlier this month.

"We need to move to stronger cryptosystems that leverage more-difficult
mathematical problems," the presenters said.

At the heart of the impending "cryptopalypse" are the Diffie-Hellman and
Rivest-Shamir-Adleman (RSA) shared encryption algorithms, which were
independently developed, respectively, at Stanford and the Massachusetts
Institute of Technology in the mid-1970s.

Both algorithms are on the verge of being "cracked"   proven to be
vulnerable to attack   by academic mathematicians.

"There is a small but real chance that both RSA and Diffie-Hellman will
soon become unusable," said the Black Hat presenters, Thomas Ptacek of
Chicago-based Matasano Security, Tom Ritter and Javed Samuels of iSec
Partners in New York, and Alex Stamos of Artemis Internet, a security
firm in San Francisco.

The Diffie-Hellman and RSA algorithms underlie many of the authentication
and verification standards on the Internet.

Among those methods are the HTTPS protocol, which makes sure you're
securely connected, for instance, to Amazon or Gmail; PGP, which encrypts
secure email messages; the RSA keychain tokens that tens of thousands of
corporate and government employees around the world use to log into their
organizations' virtual private networks; and the certificates of
authentication that software makers use to digitally "sign" applications
and updates.

Without secure shared encryption, online monetary transactions and

Internet-delivered software updates would no longer be trustworthy.

Once mathematicians crack an encryption algorithm, the presenters said, it isn't long before security researchers and hackers apply the breakthroughs to the real world. (Such academic work, the presenters pointed out, quickly rendered useless the MD5 one-way encryption algorithm a few years ago.)

After years of slow progress, rapid mathematical advances toward cracking Diffie-Hellman and RSA came in the first few months of 2013, the presenters explained, adding a note of urgency to their presentation.

"We want this room to become the seed of change," they told the audience of fellow security researchers and IT specialists gathered in the large meeting room at Caesar's Palace on the Las Vegas Strip.

Despite this impending catastrophe, the presenters said, private industry has been slow to move on to next-generation shared encryption algorithms, such as those based on the elliptic-curve cryptography (ECC) method developed in the 1980s and refined in the past decade.

One reason for the delayed uptake may be simple inertia.

"Diffie-Hellman and RSA are here and they are easily understood," the researchers said.

Another obstacle holding up widespread ECC adoption is that many of the dozens of patents relating to the use of ECC are privately held by a company called Certicom, now a subsidiary of BlackBerry.

The National Security Agency licensed ECC patents from Certicom in 2005 to develop its Suite B encryption standards for U.S. government use; in 2007, Certicom sued Sony for using ECC in Blu-ray Disc digital-rights management software.

Certicom and Sony settled out of court soon after BlackBerry (then called Research In Motion) bought Certicom in 2009. Now that BlackBerry has put itself up for sale, it's possible the patent rights will be transferred to yet another party.

There is some reason for hope, however. Apple and Google have included patent-free implementations of ECC in their iOS and Android smartphone operating systems, the researchers said, although both use other systems as well. (Blackberry, naturally, uses the ECC patents it owns extensively.)

On the desktop side, the latest versions of Microsoft Windows and Apple OS X support patent-free ECC; Windows also supports the NSA's Suite B.

However, just because major operating systems include ECC support doesn't mean ECC is actually being used.

In that respect, ECC is like IPv6, the next-generation Internet networking protocol that all modern Web browsers and email clients support, yet almost none use because there's no immediate reason to upgrade.

Ptacek, Ritter, Samuels and Stamos want to change that.

They urged Web browser makers to upgrade to the next Internet secure-communications suite, TLS 1.2, which includes patent-free ECC.

(TLS 1.2 is supported in Safari, supported but disabled in Internet Explorer and Opera, and not yet supported in Chrome or Firefox.)

The researchers also urged software makers to move away from the Diffie-Hellman and RSA standards, to support ECC at all points in a network and to retrofit older encryption methods with ECC "wrappers."

The four had a special request for Blackberry.

"Make the world a safer place," they said. "License the ECC patents openly to any implementation of [the NSA's] Suite B, regardless of use."

To all other companies using the Internet, the researchers had a more general message.

"There is a huge amount of work to be done," they said, "so please get started now."

China Seen Probing IBM, Oracle, EMC After Snowden Leaks

China's Ministry of Public Security and a cabinet-level research center are preparing to investigate IBM Corp, Oracle Corp and EMC Corp over security issues, the official Shanghai Securities News said on Friday.

The report follows revelations by former U.S. spy agency contractor Edward Snowden of widespread surveillance by the National Security Agency. It also comes as Beijing probes Western drugmakers over allegations of bribery and over-pricing.

Documents leaked by Snowden revealed that the NSA has had access to vast amounts of Internet data such as emails, chat rooms and video from companies including Facebook Inc and Google Inc, under a government program known as Prism.

"At present, thanks to their technological superiority, many of our core information technology systems are basically dominated by foreign hardware and software firms, but the Prism scandal implies security problems," the newspaper quoted an anonymous source as saying.

Officials with EMC, IBM and Oracle declined to comment.

China's Ministry of Public Security also declined to comment. The State Council's Development Research Centre, one of the groups reportedly involved, told Reuters they were not carrying out such an investigation.

China has been a focal point for the Snowden case since he stopped in Hong Kong en route to Moscow. He also claimed that the NSA hacked into critical network infrastructure at universities in China and in Hong Kong.

Daniel Castro, a senior analyst with the Information Technology & Information Foundation, said he was concerned that a Chinese government probe could result in demands for U.S. companies to provide authorities with the blueprints to their technology so that Beijing can screen them for potential security threats.

China, repeatedly accused by the United States of hacking, was given considerable ammunition by Snowden's allegations, which Beijing has used

to point the finger at Washington for hypocrisy.

Chinese regulators and the police have begun a series of investigations in recent weeks into how foreign and domestic companies do business in the world's second-biggest economy.

"The Prism scandal certainly provides ample material for real concern," said Mark Natkin, managing director of Beijing-based market intelligence firm Marbridge Consulting.

"What the scandal has done is make it increasingly difficult to ascertain what is being done out of legitimate concern and what may be being done for any sort of political reasons," said Natkin.

Some experts have warned that Snowden's leaks could hurt the sales of U.S. technology companies in Asia and Europe, as reports of their complicity with NSA spying programs may lead foreign businesses and governments to purchase equipment and services from non-U.S. suppliers.

The foundation, a think tank, last week projected that U.S. cloud computing firms could lose $21.5 billion in sales over the next three years, eventually ceding 10 percent of the foreign market to European and Asian competitors.

A spokesperson for the Ministry of Industry and Information Technology (MIIT), which oversees China's IT industry, said it could not confirm anything because of the matter's sensitivity. Another MIIT official told Reuters they were unaware of the reported probe.

Russian Pleads Not Guilty in Biggest U.S. Hacking Case

A Russian man accused of being part of the largest cybercrime ring ever prosecuted in the United States pleaded not guilty on Monday to charges that could send him to prison for decades.

Dmitriy Smilianets, 29, of Moscow, entered the plea during an afternoon hearing in federal court in Newark, New Jersey.

His attorney told Reuters that he would fight the charges and that he was looking into possible irregularities with the circumstances of his arrest last year in the Netherlands.

Smilianets wore an orange prison jumpsuit and stood with shackled hands and feet during the appearance with lawyer Bruce Provda before U.S. District Judge Jerome Simandle.

Smilianets is accused of conspiring with a team of hackers from Russia and the Ukraine to steal more than 160 million credit card numbers in a series of breaches that cost victim companies more than $300 million.

The companies infiltrated included financial firms such as NASDAQ and Heartland Payment Systems Inc, along with other well-known names including JetBlue Airways Corp and retailer J.C. Penney Co of Plano, Texas.

Prosecutors allege Smilianets sold the stolen data after it was taken by four other members of his team, including credit card data starting at $10 for an American number and $50 for a European number.

Smilianets was extradited to the United States in September 2012 and has remained in federal custody since. In Russia, he was most widely known as the founder of a championship electronic gaming team called Moscow 5, which traveled the world for competitions. Online, his handles included Dima Brave and Dima Bold.

If convicted, he faces up to 30 years for conspiracy to commit wire fraud, another 30 years for wire fraud and five years each for gaining unauthorized access to computers and conspiracy to gain access.

Also arrested in the Netherlands was Vladimir Drinkman, who remains there fighting extradition. Amid a general worsening of relations with Russia exacerbated by intelligence agency leaker Edward Snowden's flight there, prosecutors last month also unsealed an indictment against another alleged member of the ring still free in that country, Alexandr Kalinin.

Authorities have been pursuing the hackers for years. Many of the breaches were previously reported, though it appeared the one involving Nasdaq OMX Group Inc was disclosed for the first time in July.

Prosecutors said each of the defendants had specialized tasks: Drinkman and Alexandr Kalinin hacked into networks, while Roman Kotov, 32, mined them for data. They allegedly hid their activities using anonymous web-hosting services provided by Mikhail Rytikov, 26, of Ukraine.

Rytikov has not been arrested, but an attorney for him, Arkady Bukh, attended Monday's hearing. Bukh said his client did not know Smilianets.

According to prosecutors, the five men hid their efforts by disabling victims' anti-virus software and storing data on multiple hacking platforms, prosecutors said. They sold payment card numbers to resellers, who then resold them on online forums or to "cashers" who encode the numbers onto blank plastic cards.

The indictment cited Albert Gonzalez as a co-conspirator. Gonzalez is already serving 20 years in prison after pleading guilty to helping mastermind one of the schemes.

Prosecutors say the defendants worked with Gonzalez before his arrest in Miami, then continued on a crime spree after his capture.

Kalinin and Drinkman were previously charged in New Jersey as "Hacker 1" and "Hacker 2" in a 2009 indictment charging Gonzalez in connection with five breaches.

The NASDAQ breach did not include the trading platform that allows NASDAQ customers to buy and sell securities, prosecutors said. Officials with NASDAQ declined to comment.

An official briefed on that incident said the group wasn't able to get any money from their NASDAQ access.

Other victims included Dow Jones, Wet Seal Inc and 7-Eleven Inc, according to prosecutors.

Dow Jones said in a statement that there was "no evidence" that information of Dow Jones or Wall Street Journal customers information was compromised as a result of the breaches.

German IT Officials Reportedly Deem Windows 8 Too Dangerous To Use

The National Security Agency s snooping practices may be costing American
companies a lot of money. German publication Zeit Online has obtained
leaked documents that purportedly show that IT experts within the German
government believe that Windows 8 contains back doors that the NSA could
use to remotely control any computers that have it installed.

The German officials specifically worry about how Windows 8 interacts with
Trusted Platform Modules (TPMs) and are concerned that once Windows
machines are paired with TPM 2.0 in 2015, they won t be able to deactivate
it on their machines if they don t want it. Once TPM 2.0 is in place, Zeit
says that German researchers fear that there will be simply no way to
tell what exactly Microsoft does to their system through remote updates.
Because of this loss of control over [the capabilities of] information
technology, the researchers conclude that the security-oriented
principles of confidentiality and integrity are no longer achievable
in machines that have TPM 2.0 installed.

Interestingly, the researchers say that they ll still be able to use
Windows 7 securely until 2020, so it seems the German government may be
using the legacy version of Microsoft s platform for years to come if it
takes up its IT experts recommendations.

Hacker Who Exposed Facebook Bug To Get Reward from Unexpected Source

A man who hacked into Mark Zuckerberg's Facebook page to expose a software
bug is getting donations from hackers around the world after the company
declined to pay him under a program that normally rewards people who
report flaws.

Khalil Shreateh discovered and reported the flaw but was initially
dismissed by the company's security team. He then posted a message on the
billionaire's wall to prove the bug's existence.

Now, Marc Maiffret, chief technology officer of cybersecurity firm
BeyondTrust, is trying to mobilize fellow hackers to raise a $10,000
reward for Shreateh after Facebook refused to compensate him.

Maiffret, a high school dropout and self-taught hacker, said on Tuesday he
has raised about $9,000 so far, including the $2,000 he initially
contributed.

He and other hackers say Facebook unfairly denied Shreateh, a Palestinian,
a payment under its "Bug Bounty" program. It doles out at least $500 to
individuals who bring software bugs to the company's attention.

"He is sitting there in Palestine doing this research on a five-year-old
laptop that looks like it is half broken," Maiffret said. "It's something
that might help him out in a big way."

Shreateh uncovered the flaw on the company's website that allows members
to post messages on the wall of any other user, including Zuckerberg's.
He tried to submit the bug for review but the website's security team did

not accept his report.

He then posted a message to Zuckerberg himself on the chief executive officer's private account, saying he was having trouble getting his team's attention.

"Sorry for breaking your privacy," Shreateh said in the post.

The bug was quickly fixed and Facebook issued an apology on Monday for having been "too hasty and dismissive" with Shreateh's report. But it has not paid him a bounty.

"We will not change our practice of refusing to pay rewards to researchers who have tested vulnerabilities against real users," Chief Security Officer Joe Sullivan said in a blogpost.

He said Facebook has paid out more than $1 million under that program to researchers who followed its rules.

Steve Ballmer Ends Run as Microsoft's Relentless Salesman

Few CEOs wielded more power than Microsoft chief Steve Ballmer.

And yet the company's first and foremost salesman never gained the respect he deserved for his role in transforming Bill Gates' tiny startup in the woods outside Seattle into the world's largest software maker.

Ballmer, who announced his retirement from the head of Microsoft Corp on Friday, had the misfortune to follow megastar Gates at the helm just as the company hit the end of its explosive growth period and faced a resurgent Apple Inc under an inspired Steve Jobs.

The Detroit native, who met Gates at Harvard, was doubly unfortunate that his ascent to the CEO office in January 2000 came just weeks before the bursting of the dot.com stock bubble, from which Microsoft's share price never recovered.

Although Ballmer did treble revenues at Microsoft during his time in charge, and managed to steer the company away from obscurity or crisis that befell other tech firms, he consistently attracted criticism for management miscues.

Under his watch, Apple and Google Inc roared past Microsoft in the emerging arena of Internet search, smartphones and tablets, which made the software company look stodgy and behind-the-times.

"He tried hard. Nobody can doubt his commitment to Microsoft," said Sid Parakh, an analyst at fund firm McAdams Wright Ragen. "The missing element was execution."

His attempt to catch up was a failed $47 billion bid for fading internet giant Yahoo Inc in 2008, a company which is now worth much less. Yahoo's inexplicable decision to reject the deal probably saved Ballmer's job.

Only last month, Ballmer launched a massive reorganization of Microsoft in an attempt to transform it into a 'devices and services' company, but it left most shareholders unimpressed.

Ballmer never lacked passion and energy for the company he helped to build, but he was always more of a salesman and cheerleader than a technology visionary.

"That is the most expensive phone in the world and it doesn't appeal to business customers," Ballmer laughed in a TV interview after the launch of Apple's iPhone in 2007. Five years later, iPhone sales alone were greater than Microsoft's overall revenue.

A clip of a semi-hysterical Ballmer screeching and dancing around the stage to rally Microsoft employees has been viewed nearly five million times on YouTube, gaining him the nickname 'Monkey Boy'. And his hypnotic and slightly unhinged mantra of 'developers, developers, developers', captured at another company conference, made him the butt of jokes for years after.

A natural math whiz from Michigan, Ballmer met Gates at Harvard before Gates dropped out to co-found Microsoft in 1975. Five years later, Gates persuaded Ballmer to drop out of Stanford Business School to become Microsoft's first commercial manager, and only the company's 30th employee, giving him an 8 percent stake.

As Microsoft's first salesman, rather than a techie, he was viewed with some distrust.

"The first time we met face-to-face, I thought this guy looks like an operative for the NKVD (Soviet police)," recalled Microsoft co-founder Paul Allen in his memoir. "He had piercing blue eyes and a genuine toughness. Though as I got to know him better, I found a gentler side as well."

Allen said that the young Ballmer - a zealous basketball player and jogger - would wake him up at 7 a.m. doing push-ups in their shared hotel room on early business trips.

As Microsoft engineered the personal computer revolution through the 80s and 90s, the sales side of the organization grew in size and importance, led by the charismatic Ballmer - unmistakable on campus and at industry meetings with his shiny bald dome, strapping physique and booming voice.

In Microsoft-speak, employees were either a 'Bill guy', meaning a technology person, or a 'Steve guy', meaning a sales and marketing person.

When Ballmer, known internally as SteveB, took over from Gates as Microsoft CEO in 2000, some saw it as the triumph of sales over technology and innovation, which ultimately ruined the company.

"I have my own theory about why decline happens at companies like IBM or Microsoft," former Apple CEO Jobs is quoted as saying in his biography. "The quality of the product becomes less important. The company starts valuing the great salesmen."

Jobs was partially correct. Under Ballmer's watch, Microsoft missed the shift to smartphones and tablets, and its share price has been static for the last decade. All the while, Ballmer tended to push out any executives who threatened his power.

"His (Ballmer's) continued presence is the biggest overhang on Microsoft's stock," prominent hedge fund investor David Einhorn said in 2011, as he

campaigned publicly for Ballmer's ouster. Microsoft shares rose 7 percent on the news of Ballmer's retirement on Friday.

But Ballmer's record as a CEO was not as bad as many think. People close to him say his loud public persona belied a quietly shrewd business mind, and he managed Microsoft as well as anyone could as the company reached a mature stage.

He boosted Microsoft's revenues and more than doubled its already large profits. He outlasted erstwhile rivals such as Novell and Sun Microsystems, which have now all-but disappeared, and avoided the boardroom fiascos of Hewlett-Packard or dramatic decline of AOL.

"I don't see anybody else on the management team at Microsoft that I think would be much better than Ballmer," said Eric Jackson at hedge fund Ironfire Capital.

Mark Zuckerberg Reveals Plans to Bring the Internet to the Rest of the World

Facebook is setting its sights on its next five billion users - even if they don't yet have Internet access. On Tuesday evening, Mark Zuckerberg announced a partnership between Facebook and some of the world's largest technology companies to bring the Internet to the parts of the world that don't have it.

Called Internet.org, the social network has joined forces with Nokia, Qualcomm, Samsung, Ericsson and others to bring web access to the five billion people, primarily in developing countries, that don't own smartphones or have access to affordable connectivity.

"There are huge barriers in developing countries to connecting and joining the knowledge economy," Zuckerberg said in a statement. "Internet.org brings together a global partnership that will work to overcome these challenges, including making internet access available to those who cannot currently afford it."

According to the United Nation's Millennium Development Goals report, 2.7 billion people or 39 percent of the world's population will be on the Internet before the end of 2013.

In a proposal entitled "Is Connectivity a Human Right?" Zuckerberg lays out his plans for the organization and its solutions to equipping the rest of the world with the tools to connect with each other and gain access to the world's greatest repository of information. The "rough plan" focuses on spreading connectivity through mobile devices with three main "levers."

First, the companies together plan to make Internet access more affordable through building out more economical and efficient networks. Secondly, it plans to have phones and devices use less data by creating more efficient apps and software. And lastly, it plans to help businesses in the areas drive Internet access through more awareness.

The Internet.org announcement comes just a few months after Google's announcement of its Project Loon, which aims to bring connectivity to the rest of the world through Internet-equipped balloons. Announced in June, Google has begun testing the balloons in New Zealand and more recently in

Northern California. Just this month Bill Gates criticized the project, saying that fighting malaria was more important.

"When you're dying of malaria, I suppose you'll look up and see that balloon, and I'm not sure how it'll help you. When a kid gets diarrhea, no, there's no website that relieves that," Gates told Bloomberg Businessweek in an interview.

However, it is clear that the current tech leaders in Silicon Valley don't share Gates' attitude about closing the digital divide. Zuckerberg specifically feels that connectivity is more than a privilege.

"There is no guarantee that most people will ever have access to the internet," he writes in the proposal. "It isn't going to happen by itself. But I believe connectivity is a human right, and that if we work together we can make it a reality."

Nokia Phablet Specs Leak Ahead of September Unveiling

Nokia is getting ready to unveil a full HD phablet that will launch later this year alongside the company s first Windows RT tablet, a new report claims. Windows Phone Central on Wednesday evening posted what it claims to be several key specs from Nokia s upcoming phablet, which an earlier report said will be unveiled in late September. According to WPCentral, the new phone will feature a 6-inch 1080p display, a quad-core processor, a 20-megapixel camera and an updated version of the Windows Phone operating system. The unnamed device will supposedly be unveiled on September 26th and it may debut alongside Nokia s upcoming Windows RT tablet, which is shaping up to be a pretty huge mess.

Kagan: Court Hasn't Really 'Gotten to' Email

The members of the Supreme Court continue to communicate with one another through memos printed on ivory paper even as they face the prospect of hearing cases related to emerging technology and electronic snooping in the years to come, Justice Elena Kagan said Tuesday.

The justices have a ways to go to understand technology such as Facebook, Twitter and even email, Kagan said in a conversation with Ted Widmer, a historian and librarian at Providence's Brown University who has been an adviser to Bill and Hillary Clinton.

"The justices are not necessarily the most technologically sophisticated people," she said, adding that while clerks email one another, "The court hasn't really 'gotten to' email."

Kagan, at age 53 the youngest and most recently appointed justice, said communication among the justices is the same as when she clerked for the late Thurgood Marshall in 1987.

Justice write memos printed out on paper that looks like it came from the 19th century, she said. The memos are then walked around the building by someone called a "chambers aide."

Kagan was appointed in 2010 by President Barack Obama. She previously
served as solicitor general of the United States and dean of Harvard Law
School, among other accomplishments.

Widmer brought up the National Security Agency and Edward Snowden, who
leaked classified documents exposing NSA programs that monitor Internet
and phone data, suggesting the high court would likely hear more cases
related to electronic surveillance.

Kagan said it was hard to predict what cases the court would address in
the years to come, but she said she expects there will be new issues
related to privacy, technology and surveillance.

"I think we're going to have to be doing a lot of thinking about that,"
she said.

Kagan said the justices often turn to their clerks, who are much younger,
to help them understand new technology.

But they also try to learn on their own. In one case involving violent
video games the first year she was on the court, justices who had never
played the games before dove in and gave them a try, Kagan said.

"It was kind of hilarious," she said   not divulging which games they
played.

The event was part of a celebration of the 350th anniversary of Rhode
Island's colonial charter and was hosted by Gov. Lincoln Chafee and
sponsored by Roger Williams University School of Law.

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